



**Neil H. Butterklee**  
Assistant General Counsel

March 20, 2009

Via E-Mail and Overnight Delivery

Ms. Elaine Robinson  
Secretary, NYISO Management Committee  
New York Independent System Operator, Inc.  
10 Krey Blvd.  
Rensselaer, N.Y. 12144

Re: Con Edison's Comments in Opposition to NRG's Appeal

Dear Ms. Robinson:

Attached are the comments of Consolidated Edison Company of New York, Inc. ("Con Edison") in response to NRG's appeal of the Operating Committee's February 27, 2009 decision to reject NRG's System Reliability Impact Study for its Berrians GT III project. Please include a copy of this filing with the meeting materials for the March 25<sup>th</sup> Management Committee meeting and serve a copy of these comments on the members of the NYISO Management Committee. Thank you.

Sincerely,

Cc: William Palazzo, Chair NYISO Management Committee (via e-mail)  
Leigh Bullock, NYISO (via e-mail)

## **MOTION OF CON EDISON IN OPPOSITION TO AN APPEAL**

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) hereby files this motion in opposition to the appeal filed by NRG Energy, Inc. (“NRG”) with respect to the Operating Committee’s (“OC”) February 27, 2009 decision to reject NRG’s System Reliability Impact Study (“SRIS”) for its proposed Berrians GT III project (“Berrians III”).

### **SUMMARY**

The issue before the Management Committee (“MC”) is the identical issue that was before the OC when it did not approve the NRG’s SRIS. Simply stated, NRG’s SRIS is incomplete. Without a complete SRIS, the full impact on system reliability of the Berrians III project cannot be determined.

After it presented its initial SRIS for the Berrians III project, NRG was informed by the NYISO Staff that its SRIS was based on incorrect modeling assumptions and needed to be re-done. For example, the SRIS failed to include two series reactors associated with the TransGas project. NRG, however, only updated parts of its SRIS, leaving many crucial analyses intact and based on the original incorrect modeling assumptions. Thus, NRG presented the OC with an incomplete SRIS.

Moreover, approving an incomplete SRIS sets a dangerous precedent that it is acceptable to review and approve a partially completed or incorrect SRIS. Such a process could result in unforeseen issues with respect to the integration of new system facilities. Accordingly, Con Edison respectfully requests that the MC deny NRG’s appeal.

## ARGUMENT

Attachment X to the NYISO Open Access Transmission Tariff (“OATT”) and the NYISO’s SRIS Criteria and Procedures (“SRIS Procedures”) describe what constitutes a complete SRIS. Attachment X provides that the SRIS “shall evaluate the impact of the proposed interconnection on the reliability of the New York State Transmission System.”<sup>1</sup> The SRIS Procedures require that the SRIS “[a]ssess the impact of the proposed project on transmission transfer limits, considering thermal, voltage and stability limitations, and estimate the increase or decrease in the Transfer Capability of affected transmission interfaces.”<sup>2</sup>

Satisfying these requirements means using the latest agreed upon information and accounting for “[a]ll currently existing facilities,” and “[a]ll proposed interconnections to the NYS Transmission System for which an SRIS, if applicable, has been completed and approved...”<sup>3</sup> NRG’s revised SRIS is incomplete because it failed to account for two significant modeling errors and a significant design change. The first error, which was discovered and reported by Con Edison, is that a 600 foot cable connecting the project to the current location of the NYPA Poletti unit is listed as having an impedance equivalent to that of an installed 4.1% series reactor, when the actual impedance is much less. As a result, the actual short circuit contribution of the project is much greater than what was reported in the initial SRIS. The second error, which was discovered and reported by the NYISO staff, is that two 1% 345 kV series reactors associated with the TransGas project were missing from the model, invalidating all the results of the initial SRIS. The significant design change is the substitution of generation step-up transformers in the

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<sup>1</sup> Attachment X, NYISO OATT, Second Revised Sheet No. 776.

<sup>2</sup> SRIS Procedures, p. 1.

<sup>3</sup> SRIS Procedures, p. 5.

original SRIS model from the original ones that had 4.9% (CT) / 13.2 % (ST) impedances to new transformers having 9.4% (CT) / 25.3% (ST) impedances on an 100 MVA basis. The high impedances of the new transformers help limit short circuit contribution. Without completely revising the SRIS to account for these significant changes, NRG would not be able to present a complete picture of the impact of the Berrians III project on reliability because NRG would not have accounted for all currently existing facilities or those proposed with an approved SRIS.

According to its revised SRIS NRG and its consultant admit that they “did not attempt to analyze all system conditions that were looked at in the SRIS.”<sup>4</sup> Instead NRG only looked at “those most likely to show any significant impact of the Project.”<sup>5</sup> But, SRIS are supposed to present a comprehensive analysis of the impact of a project on reliability for OC review, not merely show the OC an analysis of those conditions that the developer unilaterally selects as being appropriate for evaluating the impact of its project on the interconnected system. Most of the analyses contained in the revised SRIS are still based on the above-identified errors. Specifically, the analyses that were not revised in the updated Berrians III SRIS include:

- a. The impact of Berrians III on the PJM / NYCA wheel Phase Angle Regulators;
- b. Contingency Analysis for the Winter Peak Case (thermal and voltage);
- c. Stability Analysis Summer Peak where 11 discrete contingencies were not re-evaluated;
- d. Stability Analysis Light Load;
- e. Extreme Contingency Analysis;
- f. Thermal Transfer Limit Analysis (Normal and Emergency); and
- g. Stability Transfer Limit Analysis.

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<sup>4</sup> System Reliability Impact Study for the Berrians GT III Project (NYISO Queue # 266), Supplemental Report on Additional Analysis (February 20, 2009), p. 6-1.

<sup>5</sup> Id.

Thus, the OC was presented with the original SRIS, which results are incorrect because they are based on incorrect models, plus a Supplemental Report where only a small portion of the SRIS was redone. In other words, the OC was presented with an incomplete SRIS. As presented, the SRIS results before the OC could not provide the necessary assurance that the impact of the Berrians III project had been adequately determined according to the rules set forth in the NYISO tariff and procedures, as well as in the approved SRIS Scope.

Con Edison is also concerned about establishing a precedent, if an incomplete SRIS were to be approved. Approving this SRIS could send a signal that it is acceptable to review and approve an incomplete or incorrect SRIS. Such a process could result in unforeseen issues with respect to the integration of new system facilities.

Con Edison supports the Berrians III project. The Company believes that it is interconnecting at a point where it will provide reliability benefits to New York City in addition to the New York Control Area. For this reason, Con Edison was troubled when the initial SRIS for the Berrians III project showed that the circuit breakers at the Farragut and Raney Substations would be over-dutied by the addition of the Berrians III project and the proposed mitigation was to impose an operating procedure to restrict the bypassing of series reactors connected to Gowanus. The Company is now troubled that NRG submitted an incomplete SRIS to the OC. Con Edison accordingly believes that the NRG appeal of the sound OC decision should be denied. NRG needs to resubmit a complete SRIS based on the correct modeling assumptions for TPAS and OC to review.

## **CONCLUSION**

Therefore, for the reasons set forth above, Con Edison respectfully requests that the MC reject NRG's appeal.

Dated: March 20, 2009

**Respectfully submitted,**

**Consolidated Edison Company  
of New York, Inc.**

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